

**U.S. Department of Education
Office of Inspector General
Strategic Plan
2001 – 2005**

In accordance with the Government Performance and Results Act, the Office of Inspector General (OIG) has developed this Strategic Plan that describes the focus and direction of the OIG’s operations over the next five years. This Plan also establishes the performance measures by which we will assess our accomplishments. Although we expect this Plan to remain relevant for the foreseeable future, we consider it a living document, subject to change as necessary. We will consult with the Department and Congress periodically and use the feedback we receive to revise this Plan and to continually improve our products and services.

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Our Mission Statement

To promote the efficiency, effectiveness, and integrity of the Department's programs and operations, we conduct independent and objective audits, investigations, inspections, and other activities.

Our mission is rooted in our statutory responsibilities under the Inspector General Act of 1978, as amended (IG Act). The IG Act established Offices of Inspectors General (OIGs) as independent and objective organizations within the Federal departments and agencies. The IG Act directs OIGs to:

- Conduct and supervise audits and investigations relating to the department's programs and operations.
- Provide leadership, coordination, and recommend policies for activities designed:
 - To promote economy, effectiveness, and efficiency in the department's programs and operations, and
 - To prevent and detect fraud and abuse in the department's programs and operations.
- Keep the department head and Congress fully and currently informed of problems and deficiencies in the department's programs and operations and on the status of corrective actions.

This strategic plan incorporates our responsibilities under the IG Act and other statutes, such as those that vest us with the responsibility for auditing the Department of Education's (the Department) annual financial statements and those of Student Financial Assistance.

As part of the Department, we support its mission by conducting audits, investigations and inspections, and providing advice and assistance. Through these activities, we identify problems and deficiencies and make recommendations for corrective actions. The information we provide Department managers and Congress can result in changes to legislation, regulations, policies, and practices. These changes are designed to continually improve the operations of the Department and its programs so they best serve the American taxpayer. Our work can also lead to criminal convictions, administrative sanctions, and civil penalties

Our Strategic Goals

We have three strategic goals:

- Goal 1: To improve the Department's programs and operations.
- Goal 2: To protect the integrity of the Department's programs and operations.
- Goal 3: To ensure quality and excellence in our organization.

The first two goals focus on our complementary responsibilities under the IG Act to promote economy, efficiency, and effectiveness and to prevent and detect fraud and abuse. Our third goal is focused internally to OIG. It provides the foundation for our capacity to achieve the other two goals now and in the future.

To achieve our goals, we:

- **Focus** our resources on the most important areas;
- **Examine** these areas through audits, investigations, inspections, and other activities to identify opportunities for improvement and any problems or deficiencies;
- **Communicate** the results to the people who need the information; and
- **Monitor** the results of our work to ensure issues are addressed.

This is a continuous and dynamic process. As we examine areas, communicate with others, and monitor our work, we collect and evaluate information to keep focused on the most important areas and to continually improve our products and services.

We utilize a work plan to manage our operations. Each year, we prepare a work plan that outlines activities designed to focus on the most important areas. Our work plan preparation includes soliciting input from the Department and Congress. The following indicators are used to monitor the work plan.

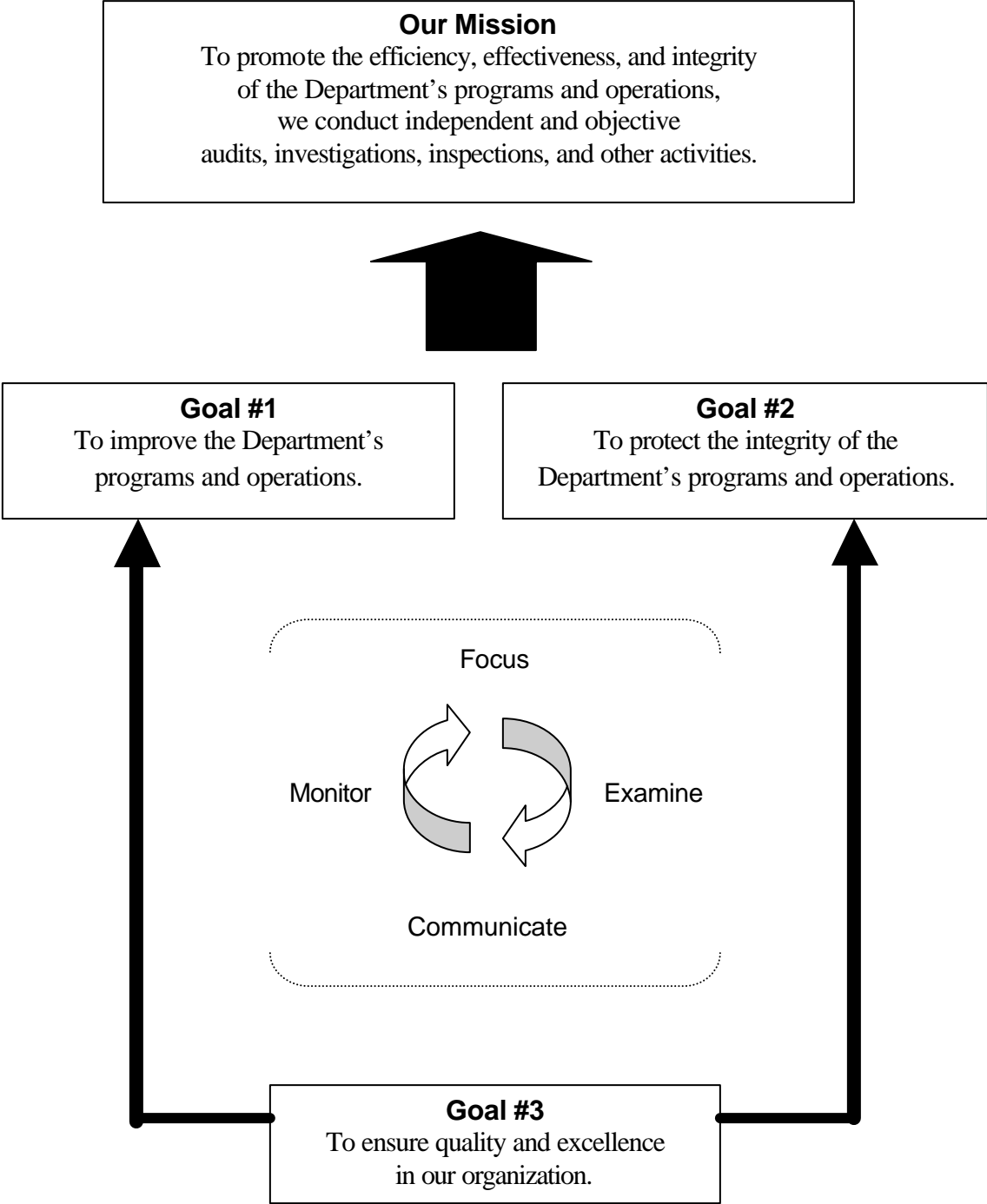
(1) Percentage of work plan assignments initiated.

Our goal is that we initiate 65% of the work plan assignments during the period of the plan.

(2) Percentage of work plan items that yield significant findings.

Our goal is that 75% of the work plan items pursued yield significant findings.

**Office of Inspector General
U.S. Department of Education**



Goal 1

To improve the Department's programs and operations.

Goal One addresses our responsibility to promote the economy, efficiency, and effectiveness of the Department. We identify problem areas or systemic weaknesses that prevent the programs and operations from achieving the results envisioned and recommend corrective actions, as appropriate, to address problems. The Department is responsible for implementing corrective actions.

How we achieve this goal:

Focus

We decide where to focus our resources based on the analysis of past work, dialogue with the Department and Congress, and other sources of information. For the next five years, high priority areas include:

- financial management, including the annual audits of the financial statements;
- information management and related technologies, including systems security;
- Student Financial Assistance;
- programs that will be undergoing reauthorization; and
- new programs.

Examine

Using audits, evaluations, inspections, technical assistance, and other services, we address the high priority areas we identified. Our work also includes reviewing legislation and regulations, participating in government-wide reviews, and conducting quality control reviews of non-federal auditors' work. In conducting our work, we evaluate relevant Department goals and performance indicators. As necessary, we contract for technical and specialized services.

Communicate

We alert Department and Congressional officials to emerging issues and problems that could affect Department programs and operations. We do this through written work products, such as our Semiannual Reports to Congress, as well as meetings, briefings, and congressional testimony.

Monitor

We monitor to determine if actions have been taken to address the opportunities for improvement and the problems or deficiencies we have identified.

How we measure our progress:

We measure our progress in achieving Goal One based on areas we identified for improvement and corrective actions taken to address the identified issues. Areas identified for improvement are called “findings.” The findings that the Department agrees with are referred to as being “sustained.” As a result of our work, we make recommendations for corrective actions. The Department has the authority to accept or reject our recommendations. Once accepted, the Department has the responsibility to implement the recommendations. We count only the findings or recommendations for corrective actions that are “significant,” that is, those involving over a half million federal dollars.

- (1) Percentage of significant findings from OIG products that the Department sustained during the current the fiscal year.

Our goal is that the Department sustains 85% of these findings.

- (2) Percentage of significant recommendations from OIG products accepted by the Department during the current the fiscal year.

Our goal is that the Department sustains 80% of these recommendations.

- (3) Percentage of significant recommendations implemented within one year of acceptance by the Department.

Our goal is that the Department implements 70% of these recommendations within one year after it accepts them.

Goal 2

To protect the integrity of the Department's programs and operations.

Goal Two addresses our responsibility to prevent and detect fraud and abuse relating to the Department's programs and operations. The Department's management is responsible for establishing and maintaining internal controls in its operations and programs. We examine allegations of fraud or abuse, identify pervasive or systemic fraud or abuse, and ultimately make recommendations to address the causes of such fraud or abuse. The Department is responsible for implementing corrective actions.

How we achieve this goal:

Focus	We have identified monitoring as an area that the Department should strengthen across its programs. We are focusing on the programs and operations most susceptible to fraud and abuse. Currently, we and the General Accounting Office have identified the Student Financial Assistance programs as having a high risk for fraud and abuse. In addition to analyzing past work to determine areas susceptible to fraud and abuse, we solicit and receive information from within the education, audit, and criminal justice communities. We also receive information and allegations from concerned members of the public
Examine	We take timely and appropriate actions, including audits, investigations, and inspections, in response to allegations of fraud and abuse. We also conduct work, such as compliance audits, in areas of pervasive and systemic fraud and abuse, and conduct quality control reviews of non-federal auditors' work. In conducting our work, we coordinate with other law enforcement and prosecutorial officials.
Communicate	We alert Department and Congressional officials to emerging issues and problems that could affect Department programs and operations. We do this through our written work products, such as our Semiannual Report to Congress, as well as meetings, briefings, and Congressional testimony. We provide information about enforcement actions.
Monitor	We monitor the progress of enforcement and corrective actions, including asset forfeiture, to determine if corrective actions have been completed.

How we measure our progress:

We measure our progress in achieving Goal Two based on the results of enforcement and corrective actions. We present the results of our work to others that are responsible for pursuing criminal, civil, enforcement, or other corrective actions. We also make recommendations to address the causes of fraud and abuse. The Department has the authority to accept or reject our recommendations. Once accepted, the Department has the responsibility to implement the recommendations. We count only findings or recommendations for corrective action that are “significant,” that is, involving over a half million federal dollars.

- (1) Percentage of investigations that are referred for criminal, civil, or administrative actions.

Our goal is that 75% of our work is referred.

- (2) Percentage of investigations referred for criminal, civil, or administrative action that are accepted.

Our goal is that 85% of the cases we present are accepted.

- (3) Percentage of accepted cases that result in judicial or administrative actions (*e.g.* indictments, civil filings, convictions, adverse personnel actions, and suspensions and debarments).

Our goal is that 80% of these cases result in criminal, civil, or administrative actions.

- (4) Percentage of significant findings from OIG products that the Department sustained during the current the fiscal year.

Our goal is that the Department sustains 85% of these findings.

- (5) Percentage of significant compliance recommendations from OIG products that are accepted by the Department during the current the fiscal year.

Our goal is that the Department accepts 80% of these recommendations.

- (6) Percentage of significant compliance recommendations implemented within one year of acceptance by the Department.

Our goal is that the Department implements 70% of these recommendations within one year after it accepts them.

In addition, we will track the amount of monetary penalties, settlements, and recoveries resulting from our work. To avoid the appearance of a lack of objectivity, we do not set annual goals for monetary recoveries.

Goal 3

To ensure quality and excellence in our organization.

Goal Three provides the foundation for our capacity to achieve the other two goals and successfully fulfill our mission. "Quality" is providing products and services that adhere to professional standards and advance our first and second goals. "Excellence" is providing those products and services in a timely, efficient, and effective manner.

How we achieve this goal:

Focus

There are four essential areas on which we must focus if we are to ensure quality and excellence in our organization. These areas are staffing, employee development, communication, and innovation. A highly skilled and motivated work force is our most important asset. All staff must have the knowledge and skills needed to perform their duties. Pertinent information must be identified and communicated in a form and timeframe that enables staff to carry out their responsibilities. We operate in a dynamic environment that requires innovation and creativity.

Examine

In order to examine the issues we identify, we must have personnel possessing audit, investigative, and analytical skills. To this end we recruit and retain a qualified, motivated, and diverse workforce. We provide the training to ensure that all professional standards are met and provide assignments that develop employees' knowledge and skills. To meet the increasing challenges from new technology, we ensure that staff has the ability and resources to access information they need to effectively plan and execute activities. We employ the latest technology and develop new approaches to accomplish our work.

Communicate

We provide all staff with information about our mission and how they contribute to its achievement. We maintain a professional environment where open and timely discussion is encouraged throughout the organization.

Monitor

We conduct internal quality reviews. In addition, we participate in the peer review process of the President's Council on Integrity and Efficiency. This peer review assesses whether we have set up and are operating an effective system of quality assurance that ensures our audit work meets professional standards. We monitor the resources we use in conducting our activities. We review comments by the Department and others about our work.

How we measure our progress:

The ultimate measure of our progress toward Goal Three is achieving the other two goals. In the interim, to measure our progress in achieving this Goal Three, we have developed the following indicators:

Staffing

- We maintain staffing levels consistent with our budget.

Employee Development

- All employees have at least 16 hours of relevant training each year.
- All employees meet the training requirements of their professions.
- At least 70% of OIG staff respond favorably to employee survey questions related to training and employee development.

Communication

- Headquarters and each field office will hold “all hands” meetings at least quarterly.
- At least 70% of OIG staff respond favorably to employee survey questions related to internal OIG communication.

Innovation

- Computers are no more than three years old.
- Each year at least five work efforts (*e.g.* audits, investigations, or inspections) employ new techniques or technologies.
- At least 70% of OIG staff respond favorably to employee survey questions related to innovation and creativity.

Key External Factors That May Affect Achievement of Our Goals

Below, we list key factors beyond our control that could affect our achieving the goals outlined in this strategic plan.

Unprogrammed requirements – OIG is assigned tasks from external sources that are either nondiscretionary or unplanned but deemed necessary, as new legislative mandates, Congressional hearings and inquiries, Department requests, government-wide reviews, and *qui tam* cases. In preparing this strategic plan, we took into consideration the current legislatively mandated work, as the financial statement audits. In preparing our annual work plan, we estimate the workload for unprogrammed requirements based on past history.

Limitations of our authority – It is not within our authority to implement our recommendations or collect monetary sanctions imposed as a result of our audits, investigations, or other work. Likewise, the outcome of referrals to the Justice Department for civil and criminal proceedings is outside our authority. Our credibility increases the acceptance of our results by others. Our credibility is based on the independence, objectivity, and professional quality of our work.

Funding – Our success depends on the ability to fund a skilled work force and to provide that work force with the resources to perform our work.

Staffing – We have highly trained professional staff consisting of auditors, criminal investigators, computer programmers/analysts, management analysts, and budget analysts. These skills are in demand in both the public and private sectors. Consequently, vacancies are often difficult and time consuming to fill which could affect our ability to meet all of our goals.

Appendix

Our Organizational Structure

Our headquarters is in Washington, D.C. We also operate a nationwide network of offices from which we conduct audits, investigations, and inspections. The following OIG components carry out these activities.

- **Immediate Office** – Coordinates OIG operations and assures the accomplishment of the overall OIG mission. Provides legal counsel for the OIG, liaison with the Congress, and administrative services.
- **Investigation Services** – Conducts criminal, civil, and administrative investigations of allegations of wrongdoing related to the Department's programs and operations.
- **Audit Services** – Conducts audits and other activities to assess the Department's programs and operations and to recommend program and operational improvements. Provides guidance to non-federal auditors and performs selected quality control reviews of their work.
- **Analysis and Inspection Services** – Conducts inspections and evaluations to assess the Department's programs and operations and to recommend program and operational improvements. Provides support services to the OIG, including strategic and annual planning, budgeting, external reporting, and information resources management.

How the Department Carries Out Its Mission

The Department carries out its mission “to ensure equal access to education and to promote educational excellence throughout the Nation” through:

- Leadership to address critical issues in American education.
- Grants to education agencies and institutions to support state and local reform; strengthen teaching and learning; strengthen schools and institutions; and prepare students for citizenship, employment, and lifelong learning.
- Student grants and loans to help pay for the costs of postsecondary education.
- Grants for literacy, employment, and self-sufficiency training for adults.
- Monitoring and enforcement of civil rights to ensure nondiscrimination by recipients of Federal education funds.
- Support for statistics, research, development, evaluation, and dissemination of information to improve educational quality and effectiveness.